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This article discusses the statistics and trends surrounding the rapidly aging U.S. population. Older workers will make up an increasing portion of the workforce and these individuals represent an important growing demographic target market. While much has been written about the aging population and the potential for entrepreneurs to target this growing market, little research has been conducted on older entrepreneurs. They are a unique group and this article provides empirical results and discussion about the differences and importance of older entrepreneurs to the economy and as contributors to American society. Practical implications and future research directions are discussed.

One of the most significant economic and sociodemographic trends in the United States is the aging of the American population. According to the U.S. Administration on Aging (AOA), one in eight (12.5%) Americans is now 65 years old or older. A century ago, just 4.1 percent of Americans were in that group. However, by 2030, it is expected that one in five Americans will be 65 or older (U.S. AOA 2007). As a result of medical advances, improved pharmaceuticals, and better education about healthy lifestyles, Americans are living longer, healthier lives. Thus, there have been, and will continue to be, significant changes to the demographic makeup of the United States.

In 2005, nearly 37 million Americans were 65 years old or older. By 2030, it is expected that the number of Americans who are 65 or older will nearly double to 71.5 million (Meyers 2007). By that time, this group of older Americans will represent more than 30 percent of all adults in the U.S. (Bosworth and Burtless 1997). These trends are not unique to the United States. The populations of major industrial countries are also aging rapidly. By 2030, those 65 and older will make up 40 percent of the adult populations in France and Great Britain, and an expected 50 percent of Germany and Japan (Bosworth and Burtless 1997).

When one looks at the sheer numbers of older Americans, the projections for the future, and the trends over the last several decades, it becomes clear that they represent a greater and greater percentage of the population. The "graying" of America, as well as other industrialized nations, presents both opportunities and challenges. For example, as the workforce gets older there are benefits of having more experience in the labor force, but the financial commitments of government programs such as Social Security and Medicare are also increasing (Bosworth and Burtless 1997; Pittock 2004).

The changing demographics have significant implications for entrepreneurship. For example, entrepreneurs are more likely to hire older workers and will have to become more cognizant of legal requirements, such as the Age Discrimination in Employment Act (ADEA) of 1967. The ADEA makes it illegal to discriminate against people who are older than 40 years of age. From a marketing perspective, the aging population represents a growing target market for entrepreneurs (e.g., Scarborough and Zimmerer 2005). As just one example of how this is creating new entrepreneurial opportunities, services such as for-profit hospice care have grown rapidly over the last 20 years (Newbold 2007). There is a significant shortage of geriatricians and the gap appears to be widening (Meyers 2007). Taking care of the elderly is already a multibillion dollar industry and the fact is that it will continue to grow.

Rather than look at the increasingly aging population as a target market for entrepreneurs to service, this article focuses attention on the unique qualities of older entrepreneurs, and discusses the growing need to promote entrepreneurship within the aging population. In coming decades, it is going to become more and more important for older Americans to remain financially productive. They will be living longer and they will represent a growing percentage of the population. Economic and sociodemographic realities would seem to support the need to promote entrepreneurship among older Americans.

To date, little research has focused on older entrepreneurs, and there has been little discussion of the growing importance of promoting entrepreneurship among the aging population. One of the major goals of this article is to draw attention to this unique group of entrepreneurs. Several guiding research questions are discussed, and then using General Social Survey (GSS) data they are tested. Following the empirical results, practical and academic

research implications are discussed and future research directions are proposed.

The Aging U.S. Population

To better frame the issue of why the aging population is so important for policy-makers, entrepreneurship researchers, and entrepreneurs, one need only look at the growing numbers of aging Americans. In 2004, no U.S. state had more than 20 percent of its population over the age of 65; however, by 2025, it is expected that 30 states will (Pittock 2004). In addition, it is projected that over the next three to four decades, the number of Americans who are older than 85 will quadruple (Meyers 2007). Table 1 provides the actual growth of the aging population from 1980 to 2000, as well as projections through 2050.

From 1980 to 2000, the number of Americans aged 55 or older grew from just over 47 million to nearly 60 million (25% increase). By 2050, it is projected that the figure will more than double to more than 132 million people. In addition, the number of Americans 75 or older grew from 10 million in 1980 to 16.6 million in 2000. This represents a 67 percent increase in this group. Projected figures show that nearly 50 million Americans will be aged 75 or older in 2050. Not surprisingly, the growing number of older Americans is pushing up the median age of all Americans. Over the last 20 years, the median age of Americans rose from 32 years to 37 years. Over the next 20 years, the median age will increase to more than 40 years.

These figures illustrate the rapid aging of the American population. They also demonstrate the growing size of the aging market in the United States. Entrepreneurs who are able to offer products and services that cater to this market should find it attractive because of its overall size and the rate of expansion, which promises to be quite strong for the next several decades. Given the growing number of older individuals in the U.S. population, it is likely that there will be a greater number of older entrepreneurs in the marketplace. Learning more about this group of entrepreneurs is important because there is likely to be a growing need to spur entrepreneurship among the members of this group. Some of the major reasons for this are discussed below.

The Need to Promote Entrepreneurship within the Aging Population

From a fiscal standpoint, older Americans have wide-ranging economic backgrounds. For example, 11 percent of Americans who are 65 or older live below the poverty line (Pittock 2004). This is slightly lower than the overall poverty rate of 12.7 percent for all Americans (U.S. Census Bureau 2005). At the same time, nearly the same percentage of older Americans earns incomes over $50,000 (Whitman and Purcell 2006). Based on these figures, it appears that older

Table 1. Changing U.S. Demographics as a Result of Aging (Based on U.S. Census Bureau Figures and Projections)

Item	*1980*	*1990*	*2000*	*2010*
Total U.S. population	226,546 (100%)	248,791 (100%)	281,425 (100%)	308,936 (100%)
Americans 55 years and older	47,253 (20.9%)	52,200 (21.0%)	59,267 (21.1%)	76,429 (24.7%)
Americans 65 years and older	25,550 (11.3%)	31,084 (12.5%)	34,992 (12.4%)	40,244 (13.0%)
Americans 75 years and older	9,969 (4.4%)	13,036 (5.2%)	16,601 (5.9%)	18,974 (6.1%)
Median U.S. population age	30.0	32.8	35.3	37.8

Item	*2020*	*2030*	*2040*	*2050*
Total U.S. population	335,805 (100%)	363,584 (100%)	391,846 (100%)	419,854 (100%)
Americans 55 years and older	97,363 (29.0%)	110,831 (30.5%)	121,679 (31.0%)	132,427 (31.5%)
Americans 65 years and older	54,632 (16.3%)	71,453 (19.7%)	80,050 (20.4%)	86,706 (20.7%)
Americans 75 years and older	22,853 (6.8%)	33,506 (9.2%)	44,580 (11.4%)	48,763 (11.6%)
Median U.S. population age	39.1	40.1	40.7	41.0

Note: Population figures are in 1000s

Americans are doing better financially than average Americans today. However, with Americans living longer, their retirement savings and pension benefits will have to be stretched over a longer period, which may increase financial pressures for older individuals. There is also a looming issue that may drive the numbers in poverty much higher. Of all Social Security beneficiaries aged 65 and above, nearly 70 percent receive more than half of their income from Social Security (Whitman and Purcell 2006). Given the growing concerns about the future long-term solvency of the Social Security program, this may be an economic time bomb just waiting to go off.

Pittock (2004 p. 252) notes

> Forty years ago, the number one concern of our seniors was dying. Now their top concern is that they will outlive their assets. Isn't that something? People are worried about what's going to happen to them financially—and we've seen that they have good cause for concern.
>
> Their second concern is whether they will be able to maintain their independence. It ties back to the financial part. They want to remain independent.

It is critical that the growing number of older people have options and the ability to maintain their economic status. It is likely that firms will require the services of greater numbers of older workers to maintain global competitiveness. In addition, as discussed in this article, there are good reasons to expect older Americans to choose entrepreneurship. They will be even bigger contributors to the global economy over the next several decades, and understanding the unique qualities and needs of older entrepreneurs may help push economic growth.

Research Focus

The primary objective of this article is to draw research attention to the importance of older entrepreneurs, as they have not been well studied in the past. Although there are no a priori theoretically based hypotheses, several areas of research guided the investigation. These were educational attainment, personal financial situation, and having an entrepreneurial father.

The discussion in this article is data driven, and I recognize that data is not theory (e.g., Sutton and Staw 1995), however, I also view this work as exploratory and important because it examines entrepreneurs who have been largely ignored in the literature. I take the view of Weick (1995) that data analysis is critical to theory development. In addition, as DiMaggio (1995) points out, theory construction is social construction that often takes place after the fact. For these reasons, I believe the empirical tests and the discussion of results that follow are important because they can help shed light on the subject of entrepreneurship among older Americans.

Educational Attainment

Entrepreneurship theory has established a clear link between educational attainment and entrepreneurship (Fairlie 2004; Hisrich, Peters, and Shepherd 2005; Scarborough and Zimmerer 2005). Vesper (1980) found that between 60 and 90 percent of his sample of successful new businesses relied primarily on their education and experiences as sources of ideas for their businesses. Education has also been found to increase entrepreneurial intentions (Clark, Davis, and Harnish 1984) as well as opportunity search (Shook, Priem, and McGee 2003); therefore, it is considered a key determinant to self-employment (Walstad and Kourilsky 1998). This is not really surprising when one considers the challenges that many entrepreneurs face in obtaining credit and financing for their businesses as well as the planning, managerial and technical knowledge and experience that are required for success.

Educational attainment of Americans has steadily increased over the last several decades (U.S. Census Bureau 2007). In 1960, just over 41 percent of Americans earned a high school degree, and just 7.7 percent earned a college degree. In 2005, more than 85 percent of Americans had earned a high school diploma and 27.6 percent had earned a college degree. Given this trend, it is less likely for older Americans to have earned college degrees, or even high school degrees. This may serve as a drag on the rate of entrepreneurship. It is also likely that older entrepreneurs had lower educational attainment levels than younger entrepreneurs, because as a group, older Americans have lower educational attainment levels than younger Americans.

Financial Situation

Although, many firms start out with a small amount of capital provided by the founder, and little wealth is required to enter most entrepreneurial ventures (Hurst and Lusardi 2004; van Gelderen, Thurik, and Bosma 2005), those persons having a higher net worth are more easily able to leverage their net worth to obtain sufficient degrees of venture financing through external sources, if necessary for successful venture start-up and operation. A person's asset level has been found to play an important role in determining whether they choose self-employment over working for others (Blanchflower and Oswald 1998; Fairlie 1999; 2004). Research has shown that having access to capital at the start-up phase affects firm size (van Gelderen, Thurik, and Bosma 2005) as well as the ability to sustain it operations (Bates 2000; 2006). Some potential entrepreneurs never take the plunge because they are unable to assemble sufficient financial capital to start their firms (Bates 2000; 2006). Thus, having higher asset and net worth levels affords individuals easier access to capital, and subsequently entry into self-employment.

For many older Americans, financial obligations such as mortgages or the costs of raising and educating children are no longer a factor. They have paid off their houses and their children have graduated from college and/or moved out on their own. In addition, given the lower rate of poverty for older entrepreneurs and the fact that a fairly large percentage of older Americans make more than $50,000 per year, it is possible that they have enough access to start-up capital in their personal financial portfolios.

Having Fathers Who Were Entrepreneurs

A significantly higher percentage of entrepreneurs have fathers who are/were self-employed than nonentrepreneurs (Hisrich, Peters, and Shepherd 2005; Hundley 2006). In fact, the offspring of entrepreneurs are two to three times more likely than those who do not have entrepreneurial parents to become entrepreneurs themselves (Lentz and Laband 1990; Fairlie 1999; Dunn and Holtz-Eakin 2000; Hout and Rosen 2000). It is possible that there is an "entrepreneurial gene" (Nicolaou et al. 2008) that has yet to be identified, but research on this subject has been limited. Instead, researchers have focused on more tangible benefits of having entrepreneurial parents.

Dunn and Holtz-Eakin (2000) argue that financial and human capital benefits are two possible explanations for why the offspring of the self-employed display a greater propensity to become entrepreneurs. The financial capital explanation refers to the fact that capital market constraints limit an entrepreneur's ability to finance a start-up venture (e.g., banks will not extend loans to start-up ventures that have no history of operations), which can be a significant obstacle to becoming an entrepreneur. In short, the authors reason that family credit markets may substitute for formal access to funds. Dunn and Holtz-Eakin's (2000) second explanation, human capital, is that parents transmit to their children valuable work experience, reputation, or other managerial human capital.

Lentz and Laband (1990) explain that business owners obtain industry-specific, integrated managerial skills from two potential sources: market experience and premarket experience. The researchers refer to market experience as "the school of hard knocks," and they refer to premarket experience as the equivalent of an internship that takes place prior to starting their own firm, and under the auspices of their parents' (or other family member's) business.

Entrepreneurship is an unstructured activity that requires a wide variety of skills. Obviously, education can provide some of those skills and financial resources are important. Entrepreneurial family members can serve as informal sources of information that can be useful for helping to shed light on the challenges and difficulties faced by entrepreneurs. This benefit can give would-be entrepreneurs a more realistic understanding of how to become a successful entrepreneur. In this study, we focused on these three elements to see how older entrepreneurs compared with younger entrepreneurs.

Research Methods

Data and Sample

For the purpose of this study, older entrepreneurs were individuals aged 55 years or older. All of the findings reported in this study come from analyses of the GSS data. The GSS is a personal interview survey of a representative sample of hundreds of U.S. households conducted by the National Opinion Research Center (NORC). A full description of the GSS project is available at the NORC website (http://www.norc.org/projects/gensoc1.asp). A number of websites allow public access to the GSS data. The data were downloaded from the University of California, Berkeley's Survey Documentation and Analysis website (see http://sda.berkeley.edu/archive.htm).

Table 2 summarizes the total number of respondents contained within the GSS and breaks down the numbers of working individuals and self-employed individuals who were 54 years old or younger and 55 years or older. Not surprisingly, a much greater percentage of individuals under 55 years old are working full time and part time; however, nearly double the percentage of workers aged 55 and older are self-employed. Most of the empirical results in this article focus on differences between the younger and the older self-employed individuals.

The GSS contains a standard core of demographic and attitudinal questions, plus topics of special interest. It has been administered annually from 1972 until 1994, when it became a biennial survey. Because of its usage of permanently worded questions, the survey allows researchers to examine the opinions and issues faced by the U.S. population over time. In total, more than 38,000 respondents have answered over

Table 2. Summary of Respondents

Responses	*54 Years or Younger*	*55 Years or Older*
Total number of respondents	32,547 (100%)	13,959 (100%)
Working full time (% of total)	19,922 (61.2%)	3,131 (22.4%)
Working part time (% of total)	3,646 (11.2%)	1,085 (7.8%)
Self-employed individuals working full or part time (% of workers)	2,745 (11.7%)	894 (21.3%)

3,260 different questions since the survey's inception (NORC 2007).

I studied the differences between older entrepreneurs (those age 55 and older) and other groups of entrepreneurs over the last several decades (data were available for respondents from 1972–2004). In this study, entrepreneurs are "self-employed" respondents within the GSS. In this article, I refer to "entrepreneurs" as those individuals who were identified as "self-employed" in the GSS. The terms "self-employed" and "entrepreneurs" are used interchangeably in this article. This is consistent with prior entrepreneurship studies (e.g., Bingham and Melkers 1989; Butler and Herring 1991; Hout and Rosen 2000). The statistical methods utilized in this study include t-tests, chi-square tests and logistic regression analyses.

Results

As a first test, I tested for changing participation in the workforce over the last four decades. Table 3 illustrates the fact that a greater number of workers from both age categories are now working full or part time. In the 1970s, about 63 percent of individuals under 55 years old worked. For those above 55, just more than 30 percent worked. Today, 76.1 percent of individuals under 55 and nearly 35 percent of people 55 or older are now working. The changes are likely a result of increasing numbers of women in the workforce and the fact that Americans are living longer, healthier lives.

Table 3. Percentage of Respondents Working Full or Part Time by Decade

Decade	*54 Years or Younger*	*55 Years or Older*
1970s	62.9%	30.6%
1980s	72.4%	27.9%
1990s	77.6%	29.5%
2000s	76.1%	34.8%

Among those who are working full time or part time, individuals aged 55 or older are much more likely to be self-employed (see Table 4). Older, working Americans are twice as likely to be entrepreneurs as their younger counterparts. Interestingly, there has been little change in the percentage of younger and older working Americans who choose entrepreneurship over the last 40 years. About 10 to 12 percent of workers under 55 are self-employed, while 20 to 23 percent of those over 55 choose entrepreneurship. As Americans age and a greater number of older individuals stay in the workforce, it is likely that the number of older entrepreneurs will increase more rapidly than the number of younger entrepreneurs.

It is interesting to note that older workers are more satisfied with their financial situations and with their jobs than younger workers (see Table 5). However, both groups of entrepreneurs are even more satisfied than those working for others, in terms of their financial situations and jobs. Older entrepreneurs report no significant difference in income than younger entrepreneurs but both older and younger entrepreneurs earn more than those who work for others. Younger entrepreneurs are significantly more satisfied with their financial situations than are younger nonentrepreneurs. However, older entrepreneurs are significantly more satisfied than younger entrepreneurs—even though they report no difference in income. In addition, while both older and younger entrepreneurs appear equally satisfied with their jobs, they are both more satisfied than their working counterparts.

Table 4. Percentage of Self-Employed Respondents Working Full or Part Time by Decade

Decade	*54 Years or Younger*	*55 Years or Older*
1970s	9.5%	20.4%
1980s	12.9%	20.2%
1990s	12.1%	22.2%
2000s	11.5%	22.8%

Turning attention to the importance of education and having a self-employed father, we find that both are important to becoming an entrepreneur. To test these, two separate multinomial logistic regression analyses were conducted—one for individuals younger than 55 years and one for 55 and older individuals (see Table 6). Multinomial logistic regression is appropriate for this part of the study because the dependent variable (self-employment) is a categorical variable.

Although neither model had very high pseudo R^2 values,

Table 5. Financial Conditions and Job Satisfaction of Respondents

Item	*Non-Ent. (54- years)*[a]	*Ent. (54- years)*	*Ent. (55+ years)*	*Non-Ent. (55+ years)*[b]
Satisfaction with financial situation[c]	2.06***	1.90***	1.73***	1.77
Job satisfaction[d]	1.78***	1.45	1.39	1.53***
Respondent income[e]	8.94***	10.33	10.25	8.74***

*** p<.001

[a] Significance of difference to entrepreneurs 54 years old or younger.

[b] Significance of difference to entrepreneurs 55 years old or older.

[c] Satisfaction with financial situation, 3-point scale (1=satisfied to 3=not sat.).

[d] Job Satisfaction, 4-point scale (1=very satisfied to 4=very dissatisfied).

[e] Income was measured using categorical items for income ranges.

Table 6. Logistic Regression Results for Self-Employment		
Independent Variables	*54 Years or Younger*	*55 Years or Older*
Intercept	-2.403***	-2.034***
Self-employed father	.756***	.746***
High school degree	.047	-.132*
4 Years of College	.199***	.450***
Decade–1970s	-.391***	-.049
Decade–1980s	.028	-.063
Decade–1990s	.048	-.096
Model chi-square	391.95***	234.18***
CoxSnell R^2	.015	.021
Nagelkerke R^2	.031	.037

*p<.05

*** p<.001

Notes: Numbers in the cells are the exponentiated coefficients. Since the decade variable involves four groups (1970s, 1980s, 1990s, and 2000s), the decade variables are the dummy variables representing those four groups that use the 2000s as the reference category.

the variable significance levels show that for both older and younger entrepreneurs, having a self-employed father was positively and significantly related to becoming self-employed. For older entrepreneurs (but not for younger entrepreneurs), having a high school diploma made them less likely to choose self-employment. However, having four years of college education was positively and significantly related to becoming self-employed for both groups. This relationship was even more pronounced for older entrepreneurs. Thus, it appears that education plays an even more important role for older entrepreneurs than for younger entrepreneurs.

Again we can see that, over time, there has been no real change in the self-employment rate of older entrepreneurs, but the results indicate that during the 1970s, younger individuals were significantly less likely to become self-employed when compared to the 2000s. This is consistent with the results shown in Table 4.

An additional chi-square test was conducted to see if older and younger entrepreneurs differed with respect to having a self-employed father. The results in Table 7 clearly show that having an entrepreneurial father made all of the respondents much more likely to become an entrepreneurs themselves. However, older entrepreneurs were much more likely to have self-employed fathers than younger entrepreneurs.

Finally, the mean levels of educational attainment showed that younger individuals were significantly more likely to have achieved higher levels of education (see Table 8). Respondents who were younger than 55 years achieved almost two additional years of education than those individuals who were older than 55. The mean figures also show that younger individuals averaged more than a high school diploma (12 years of education is equivalent to graduating from high school). However, older entrepreneurs averaged 1.2 years of education more than all older respondents, compared to the less than 0.6 year difference between younger entrepreneurs and all younger respondents. This narrowed the gap with younger entrepreneurs by nearly a year and again shows that education plays a larger role for older entrepreneurs. That is, those older individuals who have more education are more likely to become entrepreneurs than younger individuals.

Table 7. *Chi*-Square Test of Importance of Having a Self-Employed Father			
55 and Older	*Father Status*	*Self-Employed*	*Someone Else*
No	Self-employed	941 (18.8%)	4,057 (81.2%)
	Someone else	1,418 (9.7%)	13,220 (90.3%)
Yes	Self-employed	417 (29.1%)	1,015 (70.9%)
	Someone else	381 (17.2%)	1,838 (82.8%)

The *chi*-square test revealed significant differences at the p<.001 level.

Discussion

The empirical results in this study show how quickly the U.S. population is aging and they also show that a greater percentage of older workers choose to become entrepreneurs when compared to younger workers. This has remained consistently true over the last four decades. These data suggest that the growth rate of older entrepreneurs is likely to be among the fastest of any age group of entrepreneurs. This is why I argue that older entrepreneurs represent an important and growing subset of all entrepreneurs, but as I also point out, little research has been conducted on this unique and growing group.

Clearly both education and having a self-employed father was important to the entrepreneurs in this study. This is con-

Table 8. Average Number of Years of Education		
Respondents	*Younger*	*Older*
All respondents	13.15***	11.35***
Self-employed individuals	13.71***	12.54***

***p<.001

sistent with prior findings in the literature; however, the results seem to show that these factors were significantly more important to older entrepreneurs. Older individuals are less likely to have a college degree than younger individuals, but for those individuals aged 55 and older with a college degree, the multinomial logistic regression results indicate that they are more than two times as likely to become an entrepreneur.

As far as the importance of having an entrepreneurial father, the chi-square analyses showed that older entrepreneurs are 10 percent more likely to have had a self-employed father than younger entrepreneurs (significant at the $p<.001$ level). Given the educational differences between older and younger individuals, and the finding that a greater percentage of working people over the age of 55 choose self-employment, the importance of having a self-employed father may be more of an antecedent to new venture creation for older workers. It is possible that work experience compensates for the lower education level, but being able to draw on the knowledge, skills, and mentoring of a self-employed father is also likely to help older entrepreneurs found their new venture start-ups.

The issue of capital does not seem to be any more (or less) of a factor for older entrepreneurs than for entrepreneurs in general. Government statistics show that older Americans have diverse economic backgrounds similar in many respects to the general population. There was no difference in the reported income levels of younger versus older entrepreneurs, but both sets of entrepreneurs reported higher incomes than their respective comparison groups of working individuals (those who worked for others). However, older entrepreneurs indicated that they were significantly more satisfied with their financial situations than younger entrepreneurs. The reasons for this difference are unclear. It may be that younger workers have to worry about family obligations (e.g., children's education, feeding a family), while older entrepreneurs are more likely to live in "empty nest" households. Or perhaps younger entrepreneurs simply have higher expectations. Future research is needed to better understand the reason(s) for this difference.

Finally, the results of this research suggest that there are significant economic benefits to promoting entrepreneurship. Encouraging and promoting entrepreneurship among the elderly may help alleviate some of the growing pressures on retirement savings as greater numbers of Americans live longer. Entrepreneurship among the elderly may also help reduce the reliance on Social Security benefits for income. Concerns about the long-term solvency of Social Security and the fact that Americans' retirement savings will have to go a longer way point to the need for new and innovative solutions for older Americans to remain financially independent.

One possible way of spurring entrepreneurship among older Americans is through innovative education programs. Formal training and education programs may help older individuals better understand the steps and benefits of entrepreneurship. These can be used to overcome the lower education levels and can be particularly useful for those who did not have self-employed fathers. Universities and community colleges, as well as private training firms, can be entrepreneurial themselves by offering needed programs to this growing target market. In addition, public policy-makers may want to consider subsidies or offer tax incentives to start businesses. Given the changing demographics of the population as a result of aging, future economic growth and prosperity at the local, state, and national levels will increasingly require increased productivity from this segment of society. Even a 1 or 2 percent increase in the entrepreneurial new venture creation rate among the elderly would result in tens of thousands of new jobs for the economy. Obviously, it would have a significant positive impact on American society.

Future Research Directions

One of the goals of this article is to discuss older entrepreneurs to make researchers aware of their growing importance to society and some of their unique qualities. This group of entrepreneurs is likely to grow, perhaps even more rapidly than any other group of entrepreneurs, but very little is known about them. With so many research questions that need to be answered with respect to older entrepreneurs it is hard to know where to begin. Even basic questions remain unanswered, such as just how much of a financial contribution do older entrepreneurs make? How many Americans do they employ, and when hiring, are they more likely to hire older individuals? What types of businesses do they start and what are their financial goals? Unfortunately, the GSS data did not include any information about the types of firms founded by the entrepreneurs in this study, nor did it have any information on the financial performance of those firms.

It would appear that the older entrepreneurs in this study are largely satisfied with their financial situations, but it could be that they are already financially secure and are simply pursuing small entrepreneurial ventures as a hobby to while away their time. Or, they may be building the next great American company. These older entrepreneurs are also within the large, rapidly retiring "baby boomer" generation. This personal experience gives them the ability to better recognize the needs and desires of those within this target market. However, I could not test whether this was the case. That is, were they focusing their entrepreneurial ventures on older individuals or on the overall population? Research is needed to better understand the target markets for older entrepreneurs' ventures.

Another interesting question is: How much risk do they tolerate and how does it compare to younger entrepreneurs? This may tell us something about the types of businesses and the amount of personal investment these entrepreneurs are willing to make. I divided the GSS respondents into just two groups—those over 55 and those under 55. It may be that dividing the population into three or four groups may yield more interesting and important findings. For example, younger entrepreneurs in their 20s may be willing to tolerate greater risk in pursuit of greater potential rewards because they know they have many years to overcome a financial loss. However, older entrepreneurs may not be willing to risk as much because they recognize that they do not have the same time to overcome financial losses.

Aside from the apparent economic benefits of entrepreneurship, there may be possible health benefits for older individuals. Staying intellectually and physically active may extend the length and the quality of life. For those who do not wish to work for others, starting and operating a new venture may give them the mental and physical stimulation they may otherwise not get. Studying the longevity and quality of living for older entrepreneurs versus other groups of older nonentrepreneurs may provide interesting findings. Although it is not reported in any of the earlier tables, the GSS data revealed that the mean age for the older entrepreneurs was 67.7 years. This was significantly ($p<.05$) older than the mean age for the population of older people in general (67.2 years). This result is consistent with the idea that entrepreneurship can help people live longer. However, because the GSS data are cross-sectional, we cannot determine causality. It may be that people who are healthier and who live longer are the ones who engage in entrepreneurship. Again, further research is required.

One final suggestion would be to see if older entrepreneurs have any benefits as a result of their added years of work experience, or with respect to their personal social networks? They may have learned more in the school of "hard knocks" and as a result of their more extensive work experience, they may have added access to financial and human capital through their social networks. These are just some of the many empirical questions that are ripe for study.

Conclusion

This study makes an important contribution to the entrepreneurship literature by introducing and drawing attention to an important and relatively understudied area of research—entrepreneurship among older Americans. It is one of the only studies that I am aware of that focuses on this unique group of entrepreneurs. As discussed in this article, there are significant societal and economic benefits to promoting entrepreneurship within the older population of Americans. However, the simple fact is that as the population ages, greater numbers of older entrepreneurs will emerge. It is important for scholars to recognize the trend and the benefits of studying this group of entrepreneurs. There is much future research, particularly longitudinal research, needed to further develop the theory in this important area. Through the data analysis and discussion here, I hope that researchers will be able to further build theoretical frameworks to test hypothesized relationships in the future.

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